



# CITY OF HOUSTON

Office of the Mayor

## Interoffice

Correspondence

**To:** Houston City Council

**From:** Bill Kelly  
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**Date:** February 9<sup>th</sup>, 2021

**Subject:** State Legislative Update

### Governor's State of the State

Governor Abbott delivered his State of the State on February 1<sup>st</sup>. The Governor declared several emergency items. As a reminder an emergency item is simply anything the Governor deems important enough to prioritize during the coming legislative session.

- By designating the item as an emergency, members are permitted to decide to vote on those items earlier in the session than they are normally permitted to do by the Constitution.

Of course, they should also be viewed as a use of the Governor's bully pulpit. Here are the five (5) items that he declared emergency items.

1. The Governor noted that broadband access is not a luxury—it is an essential tool that must be available for all Texans. Emphasizing that telemedicine had made significant difference, the Governor noted Texas must seize this momentum to permanently expand telemedicine. The Governor also notes that the expansion of broadband access is essential for education as well.

Response from legislators – on both sides of the aisle – showed broad consensus for expanding broadband access. We expect bills that would establish a statewide broadband office, mandate a statewide plan, and – assuming money is to be had – create a broadband development incentive program (particularly for rural Texas) to move quickly through the legislative process.

2. Next, the Governor said that the Legislature must pass laws that prevent cities from defunding police. As expected, the Governor continued to emphasize the need for continued support of law enforcement and declared this issue an emergency item. We expect a bill which would use the power of the state's purse to disincentivize cities from defunding police to be heavily pushed by the Governor's office.

3. Bail reform will be a major priority for the Governor this session. Two years ago, the Governor announced the Damon Allen Act, which would have increased qualifications for magistrates able to set bail and amended the Texas Criminal Procedure Code to ensure that magistrates consider criminal history when setting bail. Damon Allen was an officer that was killed in the line of duty by a man who had been released on \$15,000 bail despite having been previously convicted for assaulting a sheriff's deputy.
4. Saying Texans shouldn't have their livelihoods destroyed by frivolous lawsuits, the Governor emphasized the great measures that businesses have taken to remain open and operate safely. He asked the Legislature to quickly pass a bill that would protect from civil liability individuals, employers and healthcare providers that operated safely throughout the pandemic.
5. Noting the need for trust and confidence in the outcome of our elections, the Governor also declared election integrity as an emergency item but offered few specifics on how to address the issue of election integrity.

### **Texas House Committee Assignments**

On Thursday, February 4<sup>th</sup>, the Texas House Speaker Dade Phelan announced House Committee assignments.

Leadership of the major committees saw some changes, but also saw some of former Speaker Bonnen's chief lieutenants remain in key positions.

- For instance, Greg Bonnen (Friendswood, TX) – the former Speaker's brother – was tapped to head the Committee on Appropriations, replacing Gio Capriglione (R-Southlake) who had been overseeing the budget process leading up to the release of H.B. 1, the House's initial draft of the budget.
- Dustin Burrows (R-Lubbock) who had chaired Ways and Means during last session's monumental property tax reforms will now chair the powerful Calendars committee.
- Chris Paddie (R-Marshall) will assume the Speaker's former role as chair of State Affairs.
- Todd Hunter (R-Corpus Christi) will head the Redistricting committee during this redistricting cycle.

Speaker Phelan also placed thirteen close Democratic allies in key positions: Joe Moody (D-El Paso), who will again serve as Speaker Pro Tem, is vice-chair of Calendars. Terry Canales (D-Edinburg) will continue as chair of Transportation. Chris Turner (D-Tarrant) will chair Business & Industry. Joe Deshotel (D-Beaumont) will chair Land & Resource Management. And Senfronia Thompson (D-Houston) will chair Licensing & Administrative Procedures.

The Speaker signaled his reliance on new confidants as well. Brooks Landgraf (R-Odessa) will chair Environmental Regulation. Will Metcalf (R-Conroe) will chair House Administration. Briscoe Cain (R-Deer Park) will chair Elections.

## **Senate Finance on the Budget**

The Texas Senate Finance Committee meeting Monday morning was not just about the budget – lawmakers were laying the predicate for quite a few key themes of the session.

The general mood of today's meeting was relief: Relief that an anticipated deficit hole in the current budget had been minimized. Relief last session's Wayfair legislation – collecting sales tax on online purchases – had managed to cut the state's retail tax collection losses in half this biennium.

And while members may have differing priorities, there's a sense of relief that the Senate will come to a collective agreement on a budget document.

Comptroller Glenn Hegar and the new head of the Legislative Budget Board, Jerry McGinty, made presentations to Finance today.

The Comptroller's one-pager budget presentation is attached to this document.

## **General Budget Talk**

Expect Democrats, and even some Republicans, to put an extra push into the supplant versus supplement issue. Is the massive infusion of federal funds – and it appears there's about \$25 billion in COVID-related funds that can be applied to the current and supplemental budget – being used by the state to close its own budget holes or to cover the actual costs of the COVID-19 pandemic?

Senators had some back-and-forth on that topic with McGinty. This looks like it'll be a continuing theme, especially among Democrats who want to understand whether CARES Act funding should have gone directly to local school districts.

## **City of Houston Priority Highlight: House Bill 1627**

Working with Rep. Senfronia Thompson, House Bill 1627 was filed last week addressing concrete batch plants being located in low income neighborhoods.

Attached to this email is Chair Senfronia Thompson's press release.